

Local Government Employees

INCOME CONTINUATION INSURANCE

**To Protect Your Income During
Short or Long Periods of Disability**



**Department of Employee Trust Funds
P. O. Box 7931
Madison, WI 53707-7931**

TABLE OF CONTENTS

	Page No.
Program Features.....	1
Introduction.....	2
Premium Rates.....	3
Employee Contributions.....	3
Monthly Premium Rates.....	4
How to Enroll.....	5
Initial Enrollment Period.....	5
Evidence of Insurability.....	5
Coverage During Leave of Absence.....	6
Termination of Coverage.....	6
Disability Definitions.....	6
Regular Care and Attendance.....	7
Elimination Period.....	7
Benefit Payments.....	8
Limitations.....	9
Waiver of Premium.....	9
Return To Work.....	9
Rehabilitative Training.....	9
Reasonable Accommodations Upon Return To Work.....	10
Taxable Benefits.....	11
How and When To File A Claim.....	11
Reduction or Termination of Benefits.....	12
Return to full time employment.....	12
Return to part time employment.....	12
Estimated part time wages.....	13
Termination of disability.....	13
Death.....	13
Maximum duration of benefits.....	13
Nonduplication Provision.....	13
Disabilities lasting more than 12 months.....	14
Failure to comply.....	14
Income Reporting Requirements.....	14
Annual Statement of Earnings.....	15
Waiver of Offset for Attorney or Social Security Advocate.....	14
Administrative Review Process.....	15

Wisconsin Department of Employee Trust Funds

Income Continuation Insurance

Program Features For Local Government Employees

BENEFITS PAYABLE

- Up to 75% of gross salary to a maximum of \$4,000 per month
- For physical or mental disabilities
- First of the month following the benefit month
- For length of disability (benefits normally cease at age 65)
- After exhaustion of the selected elimination period after date disability begins

COVERAGE

- May be continued during authorized leave of absence and layoffs
- May include rehabilitative training
- Noncancelable except by employee or if the WRS employer withdraws from the plan

PREMIUM

- Based upon earnings and selected elimination period
- Up to 100% paid by the employer

INTRODUCTION

The Income Continuation Insurance (ICI) plan is authorized by Wisconsin Statute § 40.61, and is administered according to the plan provisions between the Group Insurance Board and the claims administrator. The plan is available to all local government employees whose employer is participating in the Wisconsin Retirement System (WRS) and have enrolled in the local ICI plan, and who have completed six months of service under the WRS. If you enroll, the plan will provide 75% of your gross earnings reported to the WRS in the event you become disabled. The plan provides replacement income for disabilities which are considered short term in nature as well as those which may last for extended periods. Benefits normally end at age 65. For disabilities that last over one year, a supplement of \$75 per month is added to the normal benefit amount. This is a one-time supplement; no further increases will apply.

Benefits under the program will not duplicate benefits available from State, Federal or employer sponsored programs such as WRS retirement (regular or disability retirement and lump sum payments), Long-Term Disability Insurance (LTDI), Social Security, Worker's Compensation, Unemployment Compensation, Federal retirement programs, etc. While the ultimate amount available under the program is 75% of your gross earnings at the time disability began, the sources which constitute the payment may vary according to your eligibility for benefits from other programs. **You will be required to repay duplicate benefits back to the ICI plan.**

The ICI plan is a self-insured plan which is financed by employer and employee premium contributions. Collected premiums are deposited in an employee trust fund rather than paid to an insurance company. A claims administrator is retained to perform the administrative services required to process, pay and manage benefits.

The gross premium for the insurance is computed as a percentage of WRS covered earnings. Typically, your employer contributes a portion, or pays the total premium for employees who select the 180-day elimination period. If employees desire a shorter elimination period, they are required to pay the necessary additional premium. The percentage of premium paid by the employer as a fringe benefit determines what percentage of benefits received is taxable.

PREMIUM RATES

EMPLOYEE CONTRIBUTIONS

To determine your monthly premium:

1. Select the appropriate elimination period (30, 60, 90, 120 or 180 days). This is the minimum number of consecutive calendar days which must elapse after your disability begins and before your benefit begins.

Benefits will not begin until the elimination period has been completed.

2. Find your monthly premium in the corresponding column opposite your annual gross earnings range:
 - WRS earnings in the calendar year prior to the time disability begins, rounded to the next higher thousand and divided by 12,
or
 - Projected annual salary rounded to the next higher thousand, divided by 12, if you are a newly hired employee.

Note: Annual premium adjustments are effective each March 1.

Example:

Elimination period:	60 days
Prior year's earnings:	\$23,500
Round to next higher thousand:	\$24,000
Divide by 12:	\$2,000 per month
Premium:	\$10.50 per month

Monthly Premium Rates - Employee Contributions Effective March 1, 2002

WRS Earnings In The Previous Calendar Year	Elimination Period (in calendar days)				
	30 DAYS	60 DAYS	90 DAYS	120 DAYS	180 DAYS
0.00 - 5,000.00	3.13	2.19	1.56	0.94	0.00
5,000.01 - 6,000.00	3.75	2.63	1.88	1.13	0.00
6,000.01 - 7,000.00	4.37	3.06	2.19	1.31	0.00
7,000.01 - 8,000.00	5.00	3.50	2.50	1.50	0.00
8,000.01 - 9,000.00	5.63	3.94	2.81	1.69	0.00
9,000.01 - 10,000.00	6.25	4.37	3.12	1.87	0.00
10,000.01 - 11,000.00	6.88	4.81	3.44	2.06	0.00
11,000.01 - 12,000.00	7.50	5.25	3.75	2.25	0.00
12,000.01 - 13,000.00	8.12	5.69	4.06	2.44	0.00
13,000.01 - 14,000.00	8.75	6.13	4.38	2.63	0.00
14,000.01 - 15,000.00	9.38	6.56	4.69	2.81	0.00
15,000.01 - 16,000.00	10.00	7.00	5.00	3.00	0.00
16,000.01 - 17,000.00	10.63	7.44	5.31	3.19	0.00
17,000.01 - 18,000.00	11.25	7.88	5.63	3.38	0.00
18,000.01 - 19,000.00	11.87	8.31	5.94	3.56	0.00
19,000.01 - 20,000.00	12.50	8.75	6.25	3.75	0.00
20,000.01 - 21,000.00	13.13	9.19	6.56	3.94	0.00
21,000.01 - 22,000.00	13.75	9.62	6.87	4.12	0.00
22,000.01 - 23,000.00	14.38	10.06	7.19	4.31	0.00
23,000.01 - 24,000.00	15.00	10.50	7.50	4.50	0.00
24,000.01 - 25,000.00	15.62	10.94	7.81	4.69	0.00
25,000.01 - 26,000.00	16.25	11.38	8.13	4.88	0.00
26,000.01 - 27,000.00	16.88	11.81	8.44	5.06	0.00
27,000.01 - 28,000.00	17.50	12.25	8.75	5.25	0.00
28,000.01 - 29,000.00	18.13	12.69	9.06	5.44	0.00
29,000.01 - 30,000.00	18.75	13.13	9.38	5.63	0.00
30,000.01 - 31,000.00	19.37	13.56	9.69	5.81	0.00
31,000.01 - 32,000.00	20.00	14.00	10.00	6.00	0.00
32,000.01 - 33,000.00	20.63	14.44	10.31	6.19	0.00
33,000.01 - 34,000.00	21.25	14.87	10.62	6.37	0.00
34,000.01 - 35,000.00	21.88	15.31	10.94	6.56	0.00
35,000.01 - 36,000.00	22.50	15.75	11.25	6.75	0.00
36,000.01 - 37,000.00	23.12	16.19	11.56	6.94	0.00
37,000.01 - 38,000.00	23.75	16.63	11.88	7.13	0.00
38,000.01 - 39,000.00	24.38	17.06	12.19	7.31	0.00
39,000.01 - 40,000.00	25.00	17.50	12.50	7.50	0.00
40,000.01 - 41,000.00	25.63	17.94	12.81	7.69	0.00
41,000.01 - 42,000.00	26.25	18.38	13.13	7.88	0.00
42,000.01 - 43,000.00	26.87	18.81	13.44	8.06	0.00
43,000.01 - 44,000.00	27.50	19.25	13.75	8.25	0.00
44,000.01 - 45,000.00	28.13	19.69	14.06	8.44	0.00
45,000.01 - 46,000.00	28.75	20.12	14.37	8.62	0.00
46,000.01 - 47,000.00	29.38	20.56	14.69	8.81	0.00
47,000.01 - 48,000.00	30.00	21.00	15.00	9.00	0.00
48,000.01 - 49,000.00	30.62	21.44	15.31	9.19	0.00
49,000.01 - 50,000.00	31.25	21.88	15.63	9.38	0.00
50,000.01 - 51,000.00	31.88	22.31	15.94	9.56	0.00
51,000.01 - 52,000.00	32.50	22.75	16.25	9.75	0.00
52,000.01 - 53,000.00	33.13	23.19	16.56	9.94	0.00
53,000.01 - 54,000.00	33.75	23.63	16.88	10.13	0.00
54,000.01 - 55,000.00	34.37	24.06	17.19	10.31	0.00
55,000.01 - 56,000.00	35.00	24.50	17.50	10.50	0.00
56,000.01 - 57,000.00	35.63	24.94	17.81	10.69	0.00
57,000.01 - 58,000.00	36.25	25.37	18.12	10.87	0.00
58,000.01 - 59,000.00	36.88	25.81	18.44	11.06	0.00
59,000.01 - 60,000.00	37.50	26.25	18.75	11.25	0.00
60,000.01 - 61,000.00	38.12	26.69	19.06	11.44	0.00
61,000.01 - 62,000.00	38.75	27.13	19.38	11.63	0.00
62,000.01 - 63,000.00	39.38	27.56	19.69	11.81	0.00
63,000.01 - and up	40.00	28.00	20.00	12.00	0.00

HOW TO ENROLL

The ICI plan is available to all eligible local government employees whose employer is enrolled in the WRS and local ICI plan. An eligible employee is any person receiving earnings as payment for personal services rendered to or for the benefit of a participating local government employer and who is contributing a portion of those earnings to the WRS. Most employees must have six months of service under the WRS before becoming eligible for coverage. You may not be on a leave of absence at the time of enrollment. Some elected officials are immediately eligible for participation.

Two Enrollment Opportunities

Initial Enrollment Period

When you are initially hired by a participating employer, you may obtain coverage by completing an application form and returning it to your payroll/personnel office within 30 days after serving six months under the WRS.

Example:

Date of hire:	October 15
Six months service under WRS completed:	May 1 (of following year)
Application must be returned to your Payroll/Personnel Section no later than:	May 30
Application returned to employer on or prior to May 1, coverage is effective:	May 1
Application returned to employer after May 1, coverage is effective:	June 1
Application returned to employer after May 30, coverage is denied .	

NOTE: Employees who have previously served and still have credited at least six months under the WRS (with state or local government employers) are immediately eligible and must enroll within 30 days of date of hire. Elected officials who participate in the WRS are immediately eligible for coverage. Such officials must enroll within 30 days of taking office or appointment.

If you do not enroll during the initial enrollment period, then you may enroll at a later date by being medically insurable through evidence of insurability.

Evidence of Insurability

If you do not enroll during the initial enrollment period, you must prove that you are insurable. This is done by completing an *Evidence of Insurability Application* form (ET-2308) and forwarding it directly to the Department of Employee Trust Funds. This form requires you to answer various questions concerning your past and present health status. Your application will be approved or denied based on the information provided by you and your physician(s) on your current health status.

COVERAGE DURING LEAVE OF ABSENCE

Coverage may be continued for an insured employee while on layoff or an approved leave of absence by paying premiums in advance. Effective August 24, 1999, the maximum time ICI coverage can be continued is increased to 36 months, except that an insured employee on union leave, as defined under Wis. Stats. § 40.02 (56), may continue to be insured for the duration of that leave. You must pay the entire premium yourself (employee and employer portions) while on leave. Payments must be received by your payroll/personnel office prior to the end of coverage so there is no lapse in coverage.

Coverage for an insured employee, which lapses while on leave of absence because premiums were not paid on a timely basis, may be reinstated without furnishing evidence of insurability if an application is received by the employer within 30 days of resuming active employment. Coverage is effective the beginning of the month that occurs on or after the date the application is received by the employer.

TERMINATION OF COVERAGE

ICI coverage terminates on the date an employee resigns, is dismissed, terminates, retires, turns age 70, or dies, whichever occurs first. If coverage ends, a full month's premium is due for any month or portion of a month for which earnings are paid.

If an employee is disabled under the terms of the plan at the time coverage terminates, the employee will continue to be eligible to receive benefits as long as disability continues, up to the maximum duration of benefits as explained later in this booklet under *Reduction or Termination of Benefits*.

If your employer withdraws from the program, coverage shall terminate at the end of that calendar year, except for those who become disabled on or before the employer's withdrawal.

DISABILITY DEFINITIONS

The elimination period cannot begin before the first day of treatment by your physician on or after your last day worked. For this reason, you should see your physician immediately after stopping work due to disability. The earliest date of disability may be the day after your last day worked.

While you are not excluded from receiving benefits for a preexisting condition, you must be insured at the time the total disability begins in order to qualify for benefits.

You must remain completely off work and must be totally disabled from your own occupation because of a physical or mental impairment for a minimum of the selected elimination period. ICI benefits cannot be paid for days for which you are paid earnings, sick leave, vacation, holiday pay, etc. You and your employer are required to notify the claims administrator of all earnings and benefits received after the selected elimination period is expected to end.

To qualify for ICI benefits you do not necessarily have to be confined to your home, hospital, etc., however, you must be completely off work during the selected elimination period. If you work at all during this time, and subsequently become disabled again, you will have to start serving the elimination period over.

Totally disabled means, for purposes of Income Continuation Insurance:

During the first 12 months of disability (short term disability), the employee's inability by reason of any medically determinable physical or mental impairment, as supported by objective medical evidence, to perform his or her occupation.

After the first 12 months (long term disability), the employee's complete inability by reason of any medically determinable physical or mental impairment, as supported by objective medical evidence, to engage in any substantial gainful activity for which the employee is reasonably qualified, with due regard to the employee's education, training, and experience. An activity is considered a substantial gainful activity if the earnings from that activity would be at least equal to the gross ICI benefit for the same period of time.

Objective medical evidence means test results such as blood tests, MRI, CAT scan, X-rays, etc. and physician's notes of regular visits recording the physician's observations of disabling symptoms and conditions. The physician's opinion may rely in part on records of care provided by other medical professionals under the supervision of a physician, including but not limited to nurse practitioners, physician's assistants, midwives, psychologists and psychotherapists (MSSW).

REGULAR CARE AND ATTENDANCE

You must be under the regular care and attendance of a licensed medical doctor, doctor of osteopath, or surgeon licensed to practice by a state within the United States of America. A licensed physician does not include the employee. However, a physician does include other licensed medical professionals, such as a podiatrist, dentist, nurse practitioner, physician's assistant or psychologist who is acting within the lawful scope of his or her license and performs a service which is supervised by a licensed medical doctor, doctor of osteopath or surgeon (note that this last provision is not required for a D.P.M. or D.D.S.).

Regular care and attendance means a planned program of observation and treatment requiring the personal attendance of the employee by a physician, which once initiated, is continued in accordance with existing standards of medical practice for the condition or conditions rendering the employee sick or injured.

ELIMINATION PERIOD

An insured employee qualifies for ICI benefits on the day after which she or he has not worked and has been continuously and totally disabled for the selected elimination period. **The first day of the elimination period will be no earlier than the day after the last day worked, or if the employee did not see a physician on the last day worked, no earlier than the first date of treatment after the last day worked.** In no event can the elimination period begin until the employee is completely off work and satisfies the definition of total disability.

The elimination period for benefits for an employee who continues to pay ICI premiums and is on an authorized leave of absence shall be the same period the employee would have been required to serve if the employee would have been in pay status at the time disability began.

The elimination period will begin at the effective date of the disability and will continue without a break even if the employee is on a summer, seasonal or semester break from work.

BENEFIT PAYMENTS

Vacation, sick leave, holiday time, and compensatory time are not considered in determining when benefits begin. Subject to personnel policies and rules, this time may be used at your discretion. However, if you receive earnings for vacation, sick leave, holiday time, and compensatory time, after the selected elimination period, ICI benefits will not be paid for that period. You and your employer are required to notify the claims administrator of all earnings and benefits received after ICI benefits begin.

The maximum benefit payable is \$4,000.00 per month. For most employees, the amount of ICI benefits payable is based upon WRS reported earnings in the calendar year prior to the date disability begins, rounded to the next higher thousand. When you have served your elimination period ICI benefits are paid for every day of continuing disability, including weekends. The rounded-up annual salary is divided by 12 to obtain the monthly salary and then multiplied by 75% to obtain the monthly benefit amount. Benefits are paid for each calendar day of disability and by 1/30th of the monthly benefit for each day of the benefit period less than one month.

The following is an example of how benefits are calculated:

Previous Year's WRS Earnings	Earnings Rounded Up		Monthly Earnings
\$28,323.16	\$29,000.00	÷ 12	= \$2,416.67
Monthly Earnings	Monthly Benefit		Daily Benefit
\$2,416.67	X 75% = \$1,812.50	÷ 30.45	= \$59.52

Benefit payments are made at the beginning of the month for the previous benefit month (i.e. January benefits are paid February 1).

Disability benefit payments will be suspended or terminated if medical evidence shows that the employee is capable of performing the essential duties of his or her own occupation. If the employee had a medical condition while employed which was accommodated by the employer, and that condition has not significantly changed, that condition is not considered in determining whether the employee is capable of returning to his or her own occupation.

Checks are mailed through the U.S. Postal Service two calendar days prior to the check date. While most checks arrive on the check date, there may be delays in the mail process which cannot be controlled by the Department or the claims administrator.

LIMITATIONS

Benefit payments are not available for total disability which begins prior to the effective date of coverage or disability which is:

- The direct result of war, declared or undeclared. The fact of war shall be determined by the Group Insurance Board.
- The direct or indirect result of intentional self-inflicted injury for monetary gain.
- The direct or indirect result of participation in the commission of a crime other than a misdemeanor.
- The direct or indirect result from cosmetic surgery, except for complications thereof.

A condition which is present but not disabling prior to the effective date of coverage is not excluded from benefits.

WAIVER OF PREMIUM

Premiums are waived effective the first of the month following the date benefits begin. (Exception: If benefits begin on the first day of the month, the premium waiver begins on the same day.) The waiver remains in effect as long as you continue to receive benefits. If benefits are terminated because you return to full-time covered employment, premium payments will resume. Also, if you choose to remain on a leave of absence after your disability ceases, you must immediately make arrangements for payment of premium through your employer. Otherwise, coverage will terminate and can be reinstated only after you return to work and reapply for coverage.

RETURN TO WORK

A claimant may return to work with their prior employer given physician's release to return to work and the employer's ability to accommodate any restrictions imposed. Earnings (including vacation and holidays) paid to a claimant who return to work less than full time will be offset at 75%. Sick leave earned will be offset at 100%.

You will be required to provide objective medical evidence on a quarterly basis to continue to substantiate disability. If you are released to return to work and your employer can accommodate your restrictions, if any, and you do not return, benefits will be reduced by your estimated earnings or terminated.

REHABILITATIVE TRAINING

Rehabilitative training may be approved if, because of disability, you can no longer perform your previous occupation but with proper training and education could be capable of performing other gainful activities. A gainful activity is one which would provide an income equal to or greater than the gross ICI benefit excluding the \$75 per month supplement; payable to long term disability recipients. Expenses, such as tuition or text books associated with an approved rehabilitation program may be paid by the ICI program in addition to regular benefits if rehabili-

tation expenses are not payable from other sources. Rehabilitation may include higher education, vocational training, part-time return to prior position, job counseling, on-the-job training or retraining. All rehabilitative plans must be in writing and include specific goals and dates for meeting those goals which are agreed to by the claimant and approved in advance by the Department of Employee Trust Funds.

As an incentive to return to work, only 75% of earnings from approved rehabilitative employment apply to the reduction of your ICI benefits. Sick leave paid after returning to work reduces the benefit amount dollar-for-dollar at the time paid. Earnings from unapproved rehabilitative employment will reduce your Income Continuation Insurance benefit amount dollar-for-dollar.

Example:

Monthly Income Continuation Insurance Benefit		\$2,416.67
Less: Rehabilitative Earnings	\$1,000.00	
Offset Reduced to 75%	x 75%	750.00
Net Monthly Income Continuation Insurance Benefit		\$1,666.67
Plus Rehabilitative Earnings		\$1,000.00
Total Monthly Income		\$2,666.67

In certain approved programs, all or part of rehabilitative earnings may be authorized without any reduction in the ICI benefit to a limit of nine months. The Department of Employee Trust Funds will apply the following guidelines in determining whether the waiver is appropriate:

- The claims administrator and/or the Department of Employee Trust Funds will review the claimant's job related expenses that are incurred due to the claimant's medical condition, which are over and above the normal expenses, and are not covered by other sources. The claimant must receive prior approval from the Department of Employee Trust Funds before waiving the offset of earnings because of the claimant's medical condition.
- The claims administrator or the Department of Employee Trust Funds will only consider expenses directly related to accommodating a claimant's needs in getting to work and/or having an appropriate work station. Such expenses must be thoroughly documented. Items such as child care, gasoline, bus fare, etc., will not be considered covered job related expenses.
- The ICI plan will require appropriate documentation (receipts, tax returns, etc.) to support all expenses claimed. Any expenses for a caregiver will be considered only if the care is provided by a properly trained caregiver and approved in advance by the Department of Employee Trust Funds.

If a claimant is determined to be physically and mentally capable of rehabilitative training but refuses to participate in such a program or does not work the number of hours indicated by the physician, or substantiated by the objective medical evidence or an independent medical examination authorized under the ICI plan, the Department of Employee Trust Funds may authorize the termination or suspension of disability benefit payments or may authorize the offset (reduction) of benefits by the amount of earnings that could have been received if engaged in rehabilitative employment.

REASONABLE ACCOMMODATIONS UPON RETURN TO WORK

Under the Americans with Disabilities Act, federal law requires employers to make reasonable accommodations for individuals with disabilities who are qualified to perform the essential functions of a job. Check with your employer, or prospective employer, for information on “reasonable accommodations.” Income Continuation Insurance benefits will not be paid if a claimant does not or no longer meets the definition of disability, but an employer refuses or is unable to make reasonable accommodations for work.

TAXABLE BENEFITS

Generally, as the percentage of the total premium paid by the employer increases, there is a corresponding increase in the percentage of benefits which is considered taxable income to you. The taxable portion is based on an average of the premium percentage paid by the employer over the three years prior to the year in which Income Continuation Insurance benefits are first paid. However, there have been many recent changes in the tax laws and the interpretation of the revenue code. You should consult both state and federal tax authorities for answers to specific questions concerning the exclusion or inclusion of such benefit payments as taxable income.

The following is an aid for you in selecting an elimination period for the Income Continuation Insurance plan:

Elimination Period	Employer Paid %
30 days	33%
60 days	42%
90 days	50%
120 days	63%
180 days	100%

The employer paid percentage, and resulting tax liability, will vary if your employer has agreed to pay a larger share of the premiums than the minimum employer contribution requirement.

The claims administrator will automatically withhold Federal income tax from the taxable portion of a benefit at the rate of 28%. If you wish to change the amount of Federal tax withheld, you may submit Form W-4S, which is available from the IRS, to the claims administrator.

Wisconsin State income tax will only be withheld from a taxable ICI benefit if you submit the Wisconsin withholding exemption form WT-4. It is available from the Wisconsin State Department of Revenue.

FICA Social Security regulations provide that any income received from a sickness or disability plan during the first six months of a disability is subject to withholding for Social Security contributions if the employer has paid a portion of the premiums. The percent of the benefit subject to Social Security contributions equals the percent of the gross premium paid by the employer. Any Income Continuation Insurance benefits you receive during the first six months of disability will reflect this deduction for Social Security (FICA) contributions.

HOW AND WHEN TO FILE A CLAIM

You may initiate a claim by calling the claims administration or by completing an ICI claim form (ET-5352) and submitting it directly to the Department. A claim must be filed no later than one month after the date total disability begins, or as soon thereafter as is reasonably possible, but **in no event will a claim be accepted if received more than 12 months from the claimed disability begin date** as determined by the claims administrator. In addition, **no benefits are payable more than 90 days retroactively from the date the claim is received by the Department of Employee Trust Funds (ETF)**. Upon filing or receipt of your claim, the claims administrator will send you an introductory packet including a medical release and claims processing information. Please sign and return the medical release promptly to the claims administrator.

After filing your claim the claims administrator will send your employer an *Income Continuation Insurance (ICI) Employer Statement* (ET-5350).

You:

- Estimate, with advice from your attending physician, whether the disability will continue beyond the minimum elimination period of 30 calendar days, or your selected elimination period.
- File your claim.
- Complete and return the medical release form.
- Ensure the claims administrator receives all your medical release form.

Your Physician (M.D. or D.O.):

- Provides medical information concerning your disability to the claims administrator. Your physician will periodically be asked by the claims administrator to complete supplemental medical forms called *Attending Physicians Statement* (APS and FCE).

Your Employer:

- Completes the *Income Continuation Insurance (ICI) Employer Statement* (ET-5351) which they will receive directly from the claims administrator.
- Returns the employer statement directly to ETF. ETF will transmit the employer statement to the claims administrator for processing.

REDUCTION OR TERMINATION OF BENEFITS

Benefits are reduced or terminated for the following reasons:

Return to full time employment. Benefits are payable up to the date of return, or up to the date the medical evidence indicates you are capable of returning to work full time. Except for claimants participating under approved rehabilitation programs, a return to full-time employ-

ment will mean the ability to perform your normal work schedule for 14 consecutive calendar days if you have been disabled less than 12 months, or for 6 months if you have been disabled more than 12 months.

Return to part time employment. Benefits will continue on a reduced basis if return to part time employment is approved as rehabilitative training. Please see the sections on *Return To Work* or *Rehabilitative Training* for further details. If you return to work for an employer who does not participate in the WRS, it is your responsibility to provide the Income Continuation Insurance program with acceptable documentation of your earnings.

Estimated part time wages. If the medical evidence indicates you are capable of working part time, but you do not return to work, the ICI benefit will be reduced by an estimated earnings offset. The estimated offset will be based on the number of hours you are capable of working multiplied by your hourly rate of pay at the time you first became disabled.

Termination of disability. When the objective medical evidence does not substantiate continued disability, or you are determined to be no longer disabled from your occupation by your own physician or through an independent medical exam, or you are released from direct care, or you are told you are able to return to work by a physician, benefits are payable only up to the date of such release even though you do not return to work immediately for personal or other reasons.

Death. Benefits are not payable to survivors. Benefits are payable through the date of death.

Maximum duration of benefits. Generally, benefits are payable only through the end of the month in which you turn age 65. However, the length of time benefits are payable will depend on your age at the time you become disabled. The maximum duration of benefits for disabled insured employees is the end of the month in which the following occurs:

Age at Disablement	Maximum Time Benefits are Paid
61 or younger	To age 65
62	3.50 years
63	3.00 years
64	2.50 years
65	2.00 years
66	1.75 years
67	1.50 years
68	1.25 years
69	To age 70

In no event are benefits payable beyond the end of the month in which you turn age 70.

Nonduplication Provision. Benefits are reduced by the gross amount of disability, retirement, separation, or other income replacement benefits which are paid or payable from other State, Federal or employer sponsored sources. You must apply for any other benefits which you might be eligible to receive. ICI benefits will be reduced by the largest benefit you could receive from another source, even though you might choose an option that pays a reduced benefit. When

you complete an application for ICI benefits you are assigning your right to benefits you could receive from other sources. Other benefit sources include, but are not limited to:

- Social Security (regular or disability)
- Worker's Compensation
- Wisconsin Retirement System (retirement, disability retirement or separation), including lump sums
- Long-Term Disability Insurance (LTDI)
- Unemployment Compensation

NOTE: You will be required to repay any benefits received or are eligible for which cover the same time period as your ICI benefits. If you receive other benefits, it is prudent not to spend them until the ICI amount to be repaid is provided to you by the claims administrator.

Disabilities lasting more than 12 months. Benefits will terminate after you have been disabled for a period of 12 months if you are then capable of performing other substantial gainful work activities. This does not mean you have to return to your previous job. See *Disability Definitions* and *Rehabilitative Training* for further information.

Failure to comply. Benefits may be suspended or terminated if you fail to furnish required information within 90 days of the date of the initial request or if you do not otherwise cooperate in meeting the plan requirements. (Examples: refusal to participate in an approved rehabilitation program; or, in the event there is a question concerning the extent of your disability, refusing to be examined by a physician selected by the claims administrator.)

INCOME REPORTING REQUIREMENTS

An employee who is applying for or receiving ICI disability benefits is responsible for reporting to the ICI program the starting date(s) and starting amount(s) of payment received from any source, including but not limited to:

- Social Security
- Worker's Compensation (including benefits payable under Wis. Statutes § 40.65, § 230.36 or § 66.191)
- Unemployment Compensation
- Sick leave, vacation, holiday pay, and/or compensatory time paid after the elimination period
- Part time or full time employment
- Rehabilitation training or trial work
- Wisconsin Retirement System (disability, regular retirement, or lump sum separation benefit)

- Long-Term Disability Insurance (LTDI)
- Employer liability law award
- Occupational disease law award
- Other salary continuation program sponsored by your employer including any plan whose premiums are paid or collected via payroll deduction.

The Social Security offset to the ICI benefit will be based on the original award. Any initial cost of living adjustments will not affect your ICI benefit. The LTDI offset will be based on the initial gross benefit amount while the Wisconsin Retirement System disability offset will be based on the initial straight life annuity amount, regardless of the option you selected.

ANNUAL STATEMENT OF EARNINGS

You will be required to complete and return to the Department the *Annual Statement of Earnings* which is normally sent out by the claims administrator March 15. You are to report all earnings, except for your ICI or WRS disability payments, for the prior calendar year. These statements are due April 30. Failure to comply will result in suspension and subsequent terminations of your ICI benefits.

WAIVER OF OFFSET FOR ATTORNEY OR SOCIAL SECURITY ADVOCATE

When Social Security benefits have been initially denied, and it appears an appeal would be successful, you will be required to pursue the appeal through the hearing level. The ICI program may provide a Social Security advocate or facilitator to assist you in the appeal process. You are required to cooperate with the Social Security advocate or facilitator to avoid suspension or termination of your ICI benefits.

The ICI program does not require you to obtain an attorney to assist you in obtaining Social Security benefits. However, if you do decide to obtain an attorney and you win your appeal, the ICI program will not consider the attorney fees as approved by the Social Security Administration as a reduction to the ICI benefit up to \$4,000. Documentation must be provided to the ICI plan.

ADMINISTRATIVE REVIEW PROCESS

If you do not agree with a decision or determination made by the claims administrator, you have the right to request, in writing, that the claims administrator reconsider the determination. The claims administrator must receive your request for reconsideration within 90 days of the date of the initial determination letter. With the reconsideration request you must specifically state how you believe the administrator erred in interpreting the plan provisions. Provide the administrator with any and all documentation relevant to the claimed disability and your position regarding the determination. This may include such things as medical records and/or letters from the health care providers involved in your treatment.

The claims administrator may request additional information from you or your health care providers after receiving your request for reconsideration. After reviewing all of the new and original information, the administrator will send you a letter which contains the reconsidered decision. If you do not agree with the decision at the reconsideration level of the appeal process, you have the right to request a Departmental Determination from the Department of Employee Trust Funds. Your written request must be received by the Department of Employee Trust Funds within 90 days of the date of the reconsideration letter.

If you request a Departmental Determination, Employee Trust Funds will request a complete copy of your file from the claims administrator to determine if the administrator erred in its decision. The Department does not make independent medical evaluations, but relies upon the medical records/notes and the review performed by the medical consultants in order to make a determination.

If you do not agree with the Departmental Determination, and you wish to pursue the matter further, within 90 days of the date of the Departmental Determination letter you must appeal in writing. The written appeal request must be received by the Appeals Coordinator within 90 days of the date of notice. At the appeal level you will have the opportunity to testify at a hearing that will be conducted by a hearing examiner. You will also have the opportunity to bring witnesses to the hearing. These witnesses may include health care providers you would like to have testify on your behalf. The hearing examiner will then make a recommendation to the Group Insurance Board based on the testimony and exhibits. The Group Insurance Board will render the final decision.

If you or the Department of Employee Trust Funds do not agree with the Group Insurance Board's decision, either party may appeal to circuit court.

BOOKLETS AND FORMS

Booklets and forms are periodically revised. Please contact your employer or the Department of Employee Trust Funds to determine if an updated version of the form or booklet you are interested in is available.

Every effort has been made to ensure that the information in this booklet is accurate. If the information in this booklet should conflict with the law, contract or plan language, the law, contract or plan language must be followed. You may obtain a copy of the plan by writing to:

Department of Employee Trust Funds
PO Box 7931
Madison WI 53707-7931

**ALWAYS INCLUDE YOUR NAME, SOCIAL SECURITY NUMBER,
AND DATE OF BIRTH ON ALL CORRESPONDENCE
TO THIS DEPARTMENT.**

Contacting the Department of Employee Trust Funds

Self-Service Toll-Free Telephone Services

- Available 24 hours a day, seven days a week. You must have a touch-tone telephone to use these systems.
- **SELF-SERVICE LINE:** Call 1-877-383-1888 or (608) 266-2323 (local Madison) to request forms and brochures. Wisconsin Retirement System annuitants may also change their home mailing address or tax withholding election through this self-service line.
- **TELEPHONE MESSAGE CENTER:** Call 1-800-991-5540 or (608) 264-6633 (local Madison) to hear detailed recorded messages covering a variety of Wisconsin Retirement System topics.
- **Note:** *You will not be able to talk to a "live" person using these systems. To speak to a benefits specialist, call the telephone numbers listed below.*

To Visit our Internet Site

Access the Internet site at etf.wi.gov. A tremendous amount of information is on-line regarding the Wisconsin Retirement System and other benefit programs. You may e-mail the Department through this site.

To Call During Office Hours

- Office Hours:** 7:45 am to 4:30 pm, Monday through Friday
(except holidays)
- Toll Free:** 1-877-533-5020
- Madison:** (608) 266-3285
To make an appointment: (608) 266-5717
TTY (Teletypewriter for hearing & speech impaired):
(608) 267-0676
- Milwaukee:** To make an appointment: (414) 227-4294

To Write Us

Department of Employee Trust Funds
P.O. Box 7931
Madison, WI 53707-7931

To Visit Us

(An appointment is recommended)

- Madison:** 801 West Badger Road
Milwaukee: 819 North Sixth Street, Room 550

The Department of Employee Trust Funds does not discriminate on the basis of disability in the provision of programs, services or employment. If you are speech, hearing or visually impaired and need assistance, call (608) 266-3285 or TTY (608) 267-0676. We will try to find another way to get the information to you in a usable form.